| FSC-118-A | 7/2/96 |
|---|---|
| **SUBJECT:** Promotional Inventory Forecasts | |

**DISTRIBUTION:**

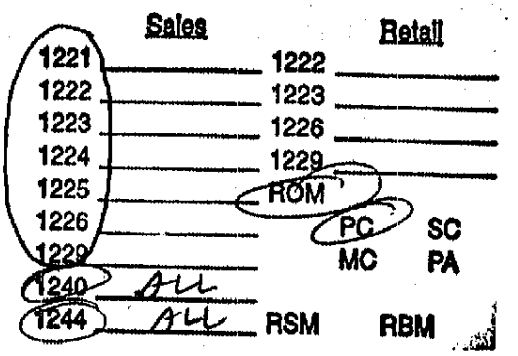
| | | | | | |
|---|---|---|---|---|---|
| X | AVP | X | KAM | ___ | DM |
| X | RSM | X | AM | ___ | ELM |
| X | RBM | X | Reg.Mil./DF Mgr. | ___ | MIL |
| X | ROM | X | AE | ___ | DF |
| | | | | ___ | REP |

As outlined in FSC-60-A, it is extremely important that we communicate to the Promotions area when we have promotions requiring additional product. We are still experiencing problems with the timely communication of product requirements for special promotions. To emphasize the importance of communicating this information, the attached letter should be reviewed with and signed by all retail chain partners to indicate their understanding of this process. This signed letter should be maintained in the appropriate chain file.

Please also reinforce the importance of the procedures outlined in FSC-60-A with your people.

| *Dave* | *Jim* | *Rick* | *Pat* |
|---|---|---|---|
| D. L. Wilmesher | J. W. Best | R. M. Sanders | P. J. Cundari |
| North East Sales | Souther Sales | Western Sales | Mid-West Sales |
| Area Vice President | Area Vice President | Area Vice President | Area Vice President |

Attachment

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Source: https://www.industrydocuments.ucsf.edu/docs/jkmn0000

Attachment to FSC-118-A
July 2, 1996

Chain Name
Contact
Address
City, State Zip

As a retail partner of R. J. Reynolds Tobacco Co.(RJRT), it is important for you to understand what is happening in our supply chain, the effect it has on our business as partners and what the expectations are of RJRT and the (Chain Name). As you might be aware, the supply chain (Manufacturers & Wholesalers) continue to lower inventories to maximize return. With this lowering of inventory, there is minimal risk of out-of-stocks with regards to the replenishment of baseline (non-promoted) product. There is, however, **Increased risk of out-of-stocks** when unanticipated promotions occur requiring additional product. Some examples of unanticipated promotions are:

- Private Label Accrual Programs
- Retail Accrual Programs
- Special Buydown Programs

This increased risk can be greatly reduced via communication of your / our requirements for product over and above normal usage. In order to effectively meet the requirements for incremental product RJRT must receive notification from you four weeks prior to the promotion. With this notification RJRT will be able to totally satisfy your requirements resulting in a successful promotion in which both parties benefit.

As partners (Retailers name & RJR manager) we are committed to communicating these unanticipated promotions to ensure that ample product is available to meet the needs of the promotion.

Retailers Signature

RJR Manager

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Source: https://www.industrydocuments.ucsf.edu/docs/jkmn0000